

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

FMI Truck Sales

Oregon Manufacturing Extension Partnership

Fmi Truck Sales Saves Costs, Improves Efficiency With Lean Manufacturing

Client Profile:

FMI Truck Sales is a manufacturer of customized trucks and has 56 employees. The company was founded in 1985 in Portland, Oregon.

Situation:

Long manufacturing lead-times and an aggressive price-point forced FMI Truck Sales to reconsider its manufacturing plans for the introduction of a line of utility trucks. Determined to find a way to move forward with its plans, the company contacted the Oregon Manufacturing Extension Partnership (OMEP), a NIST MEP network affiliate, for assistance.

Solution:

OMEP studied FMI Truck Sales' existing product design, manufacturing methods, and process flows to find ways of reducing manufacturing costs and lead-times. After analyzing current conditions, OMEP recommended that FMI hire a third-party consultant, an OMEP partner with prior automotive manufacturing experience, to stabilize the design, improve manufacturability, focus on critical suppliers, and adapt concepts of continuous improvement and repetitive manufacturing. After working to implement the consultant's recommendations, FMI's entire manufacturing process is now much smoother and has fewer disruptions caused by missing components or quality problems.

Results:

Reduced manufacturing lead times by 50 percent, from 4 weeks to 2 weeks.
Decreased assembly labor hours from 340 per unit to 145 per unit.
Reduced work-in-process inventory from \$150,000 to \$45,000.
Reduced warranty cost per vehicle from \$1,200 to \$100.

Testimonial:

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